VZCZCXRO9921 PP RUEHAG RUEHDF RUEHIK RUEHLZ RUEHROV DE RUEHLM #1564/01 3231227 ZNR UUUUU ZZH P 191227Z NOV 07 FM AMEMBASSY COLOMBO TO RUEHC/SECSTATE WASHDC PRIORITY 7216 INFO RUEHRL/AMEMBASSY BERLIN 0566 RUEHSW/AMEMBASSY BERN 0106 RUEHBS/AMEMBASSY BRUSSELS 0432 RUEHBY/AMEMBASSY CANBERRA 0983 RUEHCP/AMEMBASSY COPENHAGEN 0158 RUEHKA/AMEMBASSY DHAKA 0543 RUEHHE/AMEMBASSY HELSINKI 0220 RUEHIL/AMEMBASSY ISLAMABAD 7532 RUEHKT/AMEMBASSY KATHMANDU 5697 RUEHLO/AMEMBASSY LONDON 4137 RUEHNE/AMEMBASSY NEW DELHI 1580 RUEHNY/AMEMBASSY OSLO 4166 RUEHOT/AMEMBASSY OTTAWA 1224 RUEHFR/AMEMBASSY PARIS 0131 RUEHSA/AMEMBASSY PRETORIA 0063 RUEHRO/AMEMBASSY ROME 0393 RUEHUL/AMEMBASSY SEOUL 0809 RUEHSM/AMEMBASSY STOCKHOLM 0528 RUEHTC/AMEMBASSY THE HAGUE 0361 RUEHKO/AMEMBASSY TOKYO 3261 RUEHWL/AMEMBASSY WELLINGTON 0026 RUEHDU/AMCONSUL DURBAN 0010 RUEHCG/AMCONSUL CHENNAI 8131 RUEHBN/AMCONSUL MELBOURNE 0021 RUEHBI/AMCONSUL MUMBAI 5724 RUEHON/AMCONSUL TORONTO 0458 RUCNMEM/EU MEMBER STATES COLLECTIVE RUEHBS/USEU BRUSSELS RUCPDOC/USDOC WASHDC RHEFDIA/DIA WASHINGTON DC RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC RHHMUNA/HQ USPACOM HONOLULU HI RUEATRS/DEPT OF TREASURY WASHDC RUEHLMC/MILLENNIUM CHALLENGE CORPORATION

UNCLAS SECTION 01 OF 03 COLOMBO 001564

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STATE FOR SCA/INS AND SCA/RA
TREASURY FOR L HULL, P LURIE, J PHILLIP, AND M DRAKE

E.O 12958: N/A

TAGS: KTFN PTER PREL PHUM CE

SUBJECT: SRI LANKA: TRO ASSET FREEZE ALIENATES TAMILS

REF: A) SECSTATE 156985 B) COLOMBO 1554

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11. (SBU) SUMMARY: Tamils and some non-Tamil Sri Lankans have conveyed to post predictably negative reactions to the U.S. Government's Executive Order 13224 designation of the Tamils Rehabilitation Organisation (TRO)(ref A). They assert the move will hurt Tamils and embolden the government to take a harder line in the ongoing ethnic conflict. The government has welcomed the U.S. action as a long overdue measure against a front organization that was bolstering the LTTE's long insurgency. End summary.

TAMILS CONDEMN U.S. ACTION AGAINST TRO

12. (SBU) As reported in ref B, Ambassador Blake emphasized during his November 16 press conference that the TRO assets freeze was aimed against the Liberation Tigers of Tamil Eelam (LTTE) terrorist

group, not against the Tamil people of Sri Lanka. The major English language Daily Mirror headlined this point in its online coverage following the press conference: "TRO Freeze not against Tamils - Blake." The Daily Mirror reported, "U.S. Ambassador Robert Blake said today that the purpose behind freezing of TRO assets in the U.S. was to block funds to LTTE and not for Tamil civilians. He reiterated the U.S. stand that the final solution to Sri Lanka's conflict should be a negotiated one."

- 13. (SBU) Despite this, Tamils who have conveyed their views to the Embassy have reacted negatively to the U.S. action. They charge both that the action unfairly harms Tamils by reducing the TRO's ability to provide conflict victims with relief assistance and that the U.S. move will hurt Tamil interests indirectly, by emboldening the government to take a harder line in the conflict.
- 14. (SBU) For example, a TRO representative emailed to Ambassador a TRO-Sri Lanka press release dated November 18 that defends the TRO's record as a legitimate relief NGO and asserts "the actions of the U.S. Treasury Dept will in fact severely impact the Tamil people and cause further suffering to the most vulnerable sections of the Tamil population." The statement charges that the goal of the U.S. action appears to be "to reduce humanitarian assistance provided to the Tamil civilian population in LTTE controlled areas as well as in GoSL war affected areas." It continues, "the actions of the US against TRO are particularly worrying bearing in mind that the US Government is at the same time providing military assistance and training to the GoSL despite the GoSL's horrendous human rights record and its continuing violation of International Humanitarian Law." The release notes that the government of Sri Lanka has also frozen accounts related to the TRO, but that, "neither the GoSL nor the US government have shown any evidence of wrong doing." It concludes, "While TRO-USA will immediately cease financial

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activities, as required by the laws of the United States, other TRO organizations throughout the world will continue to work for the benefit of the suffering war and tsunami affected persons. In the meantime, TRO-USA will appeal to the U.S. Treasury to review its decision and remove the proscription." The release is posted on www.troonline.org.

- ${ t 1}{ t 5}$. (SBU) Dr. Thayalan Ambalavanar, a Tamil physician living in the UK, conveyed similar views to the Ambassador by email: "I know from my days in Jaffna that TRO funded the purchase of medical equipment in Jaffna and also provided funds for assisting cancer patients having to go to Colombo for treatment. You must be aware that in the wake of the tsunami they played a tremendous role in helping those made destitute.... It seems that the US is dead set on making the position of the Tamil community worse. No doubt TRO must be working closely with the LTTE but is that not to be expected since the LTTE runs the administration in the Vanni? ... If the US is endeavouring to ensure that the Tamil populace will be so weakened that never again will they raise their heads or shout in defiance then certainly you are going about it the right way... When you take punitive actions against the Tamil community the government is not going to be serious about your urging them against a military solution... The antipathy of your government to the LTTE is unfortunately blinding it to the fact that you are in fact assisting an oppressive regime in subjugating a whole community."
- 16. (SBU) A well-connected pro-UNP Sri Lankan living in the United States commented on the "horrible timing of this announcement," which he said would bring "the focus back on defeating the Tigers" -- i.e. play in to the government's apparent preference for military action against the LTTE. On the merits of the action against the TRO, he described mixed reactions among Tamils in the United States, with some believing that "TRO US did collect a lot of funds after the Tsunami and that these did not reach the victims." Others, he said, believed that TRO's collections were far too small to significantly impact the LTTE's ability to finance its war effort. He reported an overall conclusion that the freeze was "symbolic to offset the likely outcome of [the proposed] Section 690" ban on U.S. military assistance to Sri Lanka.
- 17. (SBU) Member of Parliament Mano Ganesan, a Tamil and leader of

the Western People's Front party, wrote PolOff to state the U.S. action failed to account for the root causes of the conflict: "U.S Ambassador Robert Blake says freezing of TRO assets by U.S Govt is an action against the LTTE, not against the Tamil People. Great, kindly initiate decisive action against Sinhala Buddhist fundamentalism which created LTTE!"

GOVERNMENT SEES TRO FREEZE AS VINDICATION

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18. (SBU) By contrast, the government has viewed the action as one aimed squarely at the LTTE. Foreign Minister Rohitha Bogollagama told Parliament that "the proscription of the LTTE by India, US, Canada and the EU member countries has been undermined and diluted through the continuing ability for numerous front organisations of the LTTE which posed as charitable fronts." In light of this, he strongly praised the U.S. move: "Above all, yesterday's action by the United States shows with no uncertainty that the TRO was not focused solely on rehabilitation but also on financing LTTE's arms procurement. This precedent set by the freezing of the assets of the TRO in the US following a detailed investigation, we believe should encourage other countries which are also investigating LTTE front organisations including the TRO --particularly Australia, Canada, Denmark, France and the UK -- to take tangible action against these organizations. I call upon the international community to act speedily in this regard."

COMMENT: U.S. MUST STAND SQUARELY FOR TAMIL RIGHTS

19. (SBU) Post will continue to emphasize that the TRO designation does not change the USG's support for Tamils' human rights in Sri Lanka. However, our credibility among Tamils appears to have been hurt by the TRO designation. It will be all the more important therefore to attempt to hold the government to international human rights standards in its day-to-day treatment of Tamil society and to emphasize the importance of a negotiated settlement that meets the aspirations of Tamils and other Sri Lankan communities.

BLAKE